



VELL RECENT PLACEMENT



JAMES LAM APPOINTED TO COVARIETY BOARD OF DIRECTORS

One of the world's top risk management experts will help lead US development of proactive commercial loan management solution

Covarity Inc., the leading commercial loan portfolio management software provider, today announced the appointment of James Lam to the company's Board of Directors. The appointment, which takes effect April 15, will provide Covarity with added experience and insight to adapt their software to meet the specific needs of US banks that are currently dealing with increasing regulatory and competitive pressures. The Covarity solution is already deployed by major Canadian banks, including Royal Bank of Canada, BMO Bank of Montreal and HSBC Canada, which is a market recognized as having the world's soundest banking system(i).

Mr. Lam is widely known as a pioneer of enterprise risk management and his work has been profiled as best practice in numerous US bank success stories. He is the author of the best selling book Enterprise Risk Management: From Incentives to Controls, and has been published extensively, with over 50 articles and book chapters currently to his credit. Mr. Lam has received several distinctive recognitions, including the inaugural Financial Risk Manager of the Year Award from the Global Association of Risk Professionals, recognition as one of the world's top risk consultants by Euromoney, and he was named one of the "100 Most Influential People in Finance" by Treasury & Risk Management magazine.

"I'm very excited to be working with the Covarity Board and management team," said James Lam. "Our partnership represents the opportunity to contribute to a proven risk management solution at a time when it is vital for US banks to focus on getting back to the basics of monitoring overall risk and proactively identifying and managing the most critical risk factors."

The Covarity solution provides a consistent framework for overall portfolio management, built around precision monitoring of individual commercial loans. Covarity automates the collection and management of key loan documents and the analysis of borrower financial data, bringing consistency, quality assurance and process efficiencies to the loan monitoring process. The Covarity solution enables financial institutions to mitigate risk, enhance reporting for increasing regulatory compliance requirements, improve operational efficiencies, and improve service to commercial customers through real-time, more transparent information sharing and more detailed financial analysis.

"James brings a wealth of experience and expertise in leading risk management initiatives at US financial institutions," said Rod Foster, President and CEO of Covarity. "His experience complements Covarity's best practices in deploying a tool to help mitigate both credit and operational risk, and provides a foundation on which to build our US go-to-market plan."

About Covarity Inc.

Covarity is the choice of the best managed banks in the world(i) for proactive commercial loan portfolio management. Covarity automates the process for collecting and analyzing borrower financial data and enables financial institutions to manage credit risk on a loan-by-loan basis. Covarity's hosted, Web-based commercial loan monitoring solution delivers process efficiencies, value-added customer service and helps prepare financial institutions for regulatory scrutiny fast and efficiently with minimal capital outlay. Covarity is based in Kitchener, ON and was incorporated in 2001. Covarity's customers include Royal Bank of Canada, BMO Bank of Montreal, HSBC Bank Canada, Libro Financial Group, and RBC Bank in the United States. Please see www.covarity.com for more information.